Mr. Arthur E. Smith, Jr. Environment Officer & Counsel, NiSource 801 E. 86th Street Merrillville, IN 46411

> Re: AAF 017-11628-00026 First Administrative Amendment to FESOP 017-5541-00026

Dear Mr. Smith:

Northern Indiana Public Service Company, Royal Center was issued a Federally Enforceable State Operating Permit on December 11, 1996 for an underground storage field and natural gas processing plant. A Significant Permit Modification was issued February 24, 1999. A letter was received on December 9,1999 requesting a change in the Responsible Official and to modify the mailing address. Pursuant to the provisions of 326 IAC 2-8-10 the permit is hereby administratively amended as follows:

A.1 General Information

The Permittee owns and operates an underground natural gas storage field and natural gas processing plant..

Responsible Official: James K. Abcouwer Robert J. Schacht

Source Address: 525 West 900 North, Royal Center, Indiana 46978

Mailing Address: Arthur E. Smith, Jr., Principal Executive & Counsel, Environmental Affairs

Environmental Officer & Counsel, Northern Indiana Public Service Company, NiSource, 5265 Hohman Avenue, Hammond, Indiana 46320-

1775 801 E. 86th Street, Merrillville, IN 46411

SIC Code: 4922

County Location: Cass County

County Status: Attainment for all criteria pollutants
Source Status: Synthetic Minor Source, FESOP Program

All other conditions of the permit shall remain unchanged and in effect. Please attach a copy of this amendment to the front of the original permit.

Northern Indiana Public Service Co., Royal Center Royal Center, Indiana Page 2 of 2

This decision is subject to the Indiana Administrative Orders and Procedures Act - IC 4-21.5-3-5. If you have any questions on this matter, please contact Gary Freeman, of my staff, at 317-233-5334 or 1-800-451-6027, press 0 and ask for extension 3-5334.

Sincerely,

Paul Dubenetzky, Chief Permits Branch Office of Air Management

Attachment PD/gkf

cc: File -Cass County U.S. EPA, Region V

Cass County Health Department
Air Compliance Section - Ryan Hillman
Compliance Data Section - Karen Nowak

FEDERALLY ENFORCEABLE STATE OPERATING PERMIT (FESOP) OFFICE OF AIR MANAGEMENT

Northern Indiana Public Service Company (Royal Center) 525 West 900 North Royal Center, Indiana 46978

(herein known as the Permittee) is hereby authorized to operate subject to the conditions contained herein, the facilities listed in Section A (Source Summary) of this permit.

This permit is issued in accordance with 326 IAC 2 and 40 CFR Part 70 and contains the conditions and provisions specified in 326 IAC 2-8 and 40 CFR Part 70.6 as required by 42 U.S.C. 7401, et. seq. (Clean Air Act as amended by the 1990 Clean Air Act Amendments) and IC 13-15 and IC 13-17 (prior to July 1, 1996, IC 13-1-1-4 and IC 13-7-10).

Operation Permit No.: F017-5541-00026	
Original issued by Paul Dubenetzky, Branch Chief Office of Air Management	Issuance Date: December 11, 1996

First Significant Permit Modification SMF017-9746, issued February 24, 1999

First Administrative Amendment:: AAF 017-11628	Page Affected: 4
Issued by: Paul Dubenetzky, Branch Chief Office of Air Management	Issuance Date:

Northern Indiana Public Service Co., Royal Center First Administrative Amendment AAF017-11628 Page 4 of 33 Royal Center, Indiana Public Service Co., Royal Center First Administrative Amendment AAF017-11628 Page 4 of 33 Amended by: Gary Freeman FESOP No. 017-5541-00026

Permit Reviewer: Tena Hopkins

SECTION A SOURCE SUMMARY

A.1 General Information [326 IAC 2-8-3(c)]

The Permittee owns and operates an underground storage field and natural gas processing plant.

Responsible Official: Robert J. Schacht

Source Address: 525 West 900 North, Royal Center, Indiana 46978

Mailing Address: Arthur E. Smith, Jr., Environmental Officer & Counsel, NiSource

801 E. 86th Street, Merrillville, IN 46411

SIC Code: 4922

County Location: Cass County

County Status: Attainment for all criteria pollutants
Source Status: Synthetic Minor Source, FESOP Program

A.2 Emission Units and Pollution Control Summary

The stationary source consists of the following emission units and pollution control devices:

- (1) One (1) natural gas processing plant consisting of the following facilities:
 - (a) One (1) natural gas fueled Emergency Generator (RC-2), Heat input: 7 million British thermal units per hour;
 - (b) Two (2) natural gas fueled reciprocating engine compressors (TLA4, TLA3), combined Heat input: 30.8 million British thermal units per hour;
 - (c) Two (2) Strippers with natural gas fired desulfurizer Flaring Stacks (RC-30 #1 and #2) with a combined heat input: 0.94 million British thermal units per hour;
 - (d) Three (3) natural gas fueled Reboilers for Dehydration (RC-36, RC-37, RC-38), combined Heat input: 9 million British thermal units per hour;
 - (e) Three (3) natural gas fueled Reboilers for Desulfurization (RC-40, RC-41, RC-42), combined Heat input: 27 million British thermal units per hour;
 - (f) Dehydration reboilers process vents (RC-39 #3, #4, and #5)

A.3 Insignificant Activities

This stationary source also includes the following insignificant activities, as defined in 326 IAC 2-7-1(20):

- (a) Three (3) natural gas fueled boilers (RC-45, RC-51, RC-52), combined Heat input: 2.17 million British thermal units per hour;
- (b) Storage tanks with capacity less than or equal to 1,000 gallons and annual throughputs less than 12,000 gallons;
- (c) Vessels storing lubricating oils, hydraulic oils, machining oils, and machining fluids.

A.4 FESOP Applicability [326 IAC 2-8-2]

This stationary source, otherwise required to have a Part 70 permit as described in 326 IAC 2-7-2(a), has applied to Indiana Department of Environmental Management (IDEM), Office of Air Management (OAM) for a Federally Enforceable State Operating Permit (FESOP).

Northern Indiana Public Service Co., Royal Center
Royal Center, Indiana
Permit Reviewer: Tena Hopkins

First Significant Permit Modification SMF017-9746
Modification Reviewer: Karen Purtell
FE 746 Page 15 of 33 FESOP No. 017-5541-00026